



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

AIR QUALITY CLASS II SYNTHETIC MINOR PERMIT

COMPANY: *Nord Resources Corporation*
FACILITY: *Johnson Camp Mine*
PERMIT #: *46673*
DATE ISSUED: *Draft*
EXPIRY DATE:

SUMMARY

This Class II Synthetic Minor Permit is issued to Nord Resources Corporation for the construction and operation of the Johnson Camp Mine. The facility is an open pit copper mine utilizing heap leaching in conjunction with a solution extraction and electro-winning (SX/EW) facility in order to produce copper cathodes. The Johnson Camp Mine is located in Cochise County near Dagoon, Arizona. The facility has the potential to emit more than 100 tons per year of particulate matter with an aerodynamic diameter of less than 10 micron (PM₁₀). The facility is installing air pollution controls to stay below the major source threshold. Therefore, a Class II Synthetic Minor Permit is required.

The facility is classified as a minor source pursuant to A.A.C. R18-2-302.B.2.

TABLE OF CONTENTS

ATTACHMENT “A”: GENERAL PROVISIONS	3
I. PERMIT EXPIRATION AND RENEWAL.....	3
II. COMPLIANCE WITH PERMIT CONDITIONS	3
III. PERMIT REVISION, REOPENING, REVOCATION AND REISSUANCE, OR TERMINATION FOR CAUSE.....	3
IV. POSTING OF PERMIT	4
V. FEE PAYMENT	4
VI. ANNUAL EMISSION INVENTORY QUESTIONNAIRE	4
VII. COMPLIANCE CERTIFICATION	4
VIII. CERTIFICATION OF TRUTH, ACCURACY AND COMPLETENESS	5
IX. INSPECTION AND ENTRY	5
X. PERMIT REVISION PURSUANT TO FEDERAL HAZARDOUS AIR POLLUTANT STANDARD.....	6
XI. ACCIDENTAL RELEASE PROGRAM.....	6
XII. EXCESS EMISSIONS, PERMIT DEVIATIONS, AND EMERGENCY REPORTING	6
XIII. RECORD KEEPING REQUIREMENTS	11
XIV. REPORTING REQUIREMENTS	12
XV. DUTY TO PROVIDE INFORMATION.....	12
XVI. PERMIT AMENDMENT OR REVISION.....	12
XVII. FACILITY CHANGE WITHOUT A PERMIT REVISION	12
XVIII. TESTING REQUIREMENTS	15
XIX. PROPERTY RIGHTS.....	17
XX. SEVERABILITY CLAUSE	17
XXI. PERMIT SHIELD.....	17
ATTACHMENT “B”: SPECIFIC CONDITIONS	19
I. RELATIONSHIP OF PERMIT TO APPLICABLE STATE IMPLEMENTATION PLAN	19
II. FACILITY WIDE LIMITATIONS	19
III. METALLIC MINERAL PROCESSING SUBJECT TO NSPS SUBPART LL	21
IV. METALLIC MINERAL PROCESSING SUBJECT TO A.A.C. R18-2-721	26
V. ELECTROLYTE HEATER.....	28
VI. SOLUTION EXTRACTION/ELECTROWINNING PROCESS (SX/EW).....	30
VII. FUGITIVE DUST REQUIREMENTS	31
VIII. MOBILE SOURCE REQUIREMENTS.....	34
IX. OTHER PERIODIC ACTIVITY REQUIREMENTS	35
X. GASOLINE STORAGE AND DISPENSING	38
ATTACHMENT “C”: EQUIPMENT LIST	41

ATTACHMENT “A”: GENERAL PROVISIONS

Air Quality Control Permit No. 46673 For *Nord Resources Corporation*

I. PERMIT EXPIRATION AND RENEWAL

[ARS § 49-426.F, A.A.C. R18-2-304.C.2, and -306.A.1]

- A.** This permit is valid for a period of five years from the date of issuance.
- B.** The Permittee shall submit an application for renewal of this permit at least 6 months, but not more than 18 months, prior to the date of permit expiration.

II. COMPLIANCE WITH PERMIT CONDITIONS

[A.A.C. R18-2-306.A.8.a and b]

- A.** The Permittee shall comply with all conditions of this permit including all applicable requirements of the Arizona air quality statutes and air quality rules. Any permit noncompliance constitutes a violation of the Arizona Revised Statutes and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or for denial of a permit renewal application. In addition, noncompliance with any federally enforceable requirement constitutes a violation of the Clean Air Act.
- B.** It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

III. PERMIT REVISION, REOPENING, REVOCATION AND REISSUANCE, OR TERMINATION FOR CAUSE

[A.A.C. R18-2-306.A.8.c, -321.A.1.c-d, and -321.A.2]

- A.** The permit may be revised, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a permit revision, revocation and reissuance, termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.
- B.** The permit shall be reopened and revised under any of the following circumstances:
 - 1. The Director or the Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.
 - 2. The Director or the Administrator determines that the permit needs to be revised or revoked to assure compliance with the applicable requirements.
- C.** Proceedings to reopen and reissue a permit, including appeal of any final action relating to a permit reopening, shall follow the same procedures as apply to initial permit issuance

and shall affect only those parts of the permit for which cause to reopen exists. Such reopenings shall be made as expeditiously as practicable. Permit reopenings shall not result in a resetting of the five-year permit term.

IV. POSTING OF PERMIT

[A.A.C. R18-2-315]

A. The Permittee shall post this permit or a certificate of permit issuance where the facility is located in such a manner as to be clearly visible and accessible. All equipment covered by this permit shall be clearly marked with one of the following:

1. Current permit number; or
2. Serial number or other equipment ID number that is also listed in the permit to identify that piece of equipment.

B. A copy of the complete permit shall be kept on site.

V. FEE PAYMENT

[A.A.C. R18-2-306.A.9 and -326]

The Permittee shall pay fees to the Director pursuant to A.R.S. § 49-426(E) and A.A.C. R18-2-326.

VI. ANNUAL EMISSION INVENTORY QUESTIONNAIRE

[A.A.C. R18-2-327.A and B]

A. The Permittee shall complete and submit to the Director an annual emissions inventory questionnaire. The questionnaire is due by March 31st or ninety days after the Director makes the inventory form available each year, whichever occurs later, and shall include emission information for the previous calendar year.

B. The questionnaire shall be on a form provided by the Director and shall include the information required by A.A.C. R18-2-327.

VII. COMPLIANCE CERTIFICATION

[A.A.C. R18-2-309.2.a, -309.2.c-d, and -309.5.d]

A. The Permittee shall submit a compliance certification to the Director semiannually which describes the compliance status of the source with respect to each permit condition. A certification shall be submitted no later than May 15th, and shall report the compliance status of the source during the period between October 1st of the previous year and March 31st of the current year. A certification shall be submitted no later than November 15th, and shall report the compliance status of the source during the period between April 1st and September 30th of the current year.

The compliance certifications shall include the following:

1. Identification of each term or condition of the permit that is the basis of the

certification;

2. The Identification of the methods or other means used by the owner or operator for determining the compliance status with each term and condition during the certification period;
3. The status of compliance with the terms and conditions of the permit for the period covered by the certification, including whether compliance during the period was continuous or intermittent. The certification shall be based on the methods or means designated in Condition VII.A.2 above. The certifications shall identify each deviation and take it into account for consideration in the compliance certification;
4. All instances of deviations from permit requirements reported pursuant to Condition XII.B of this Attachment; and
5. Other facts the Director may require determining the compliance status of the source.

- B.** A progress report on all outstanding compliance schedules shall be submitted every six months beginning with six months after permit issuance.

VIII. CERTIFICATION OF TRUTH, ACCURACY AND COMPLETENESS

[A.A.C. R18-2-304.H]

Any document required to be submitted by this permit, including reports, shall contain a certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

IX. INSPECTION AND ENTRY

[A.A.C. R18-2-309.4]

Upon presentation of proper credentials, the Permittee shall allow the Director or the authorized representative of the Director to:

- A.** Enter upon the Permittee's premises where a source is located, emissions-related activity is conducted, or where records are required to be kept under the conditions of the permit;
- B.** Have access to and copy, at reasonable times, any records that are required to be kept under the conditions of the permit;
- C.** Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit;
- D.** Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or other applicable requirements; and

E. Record any inspection by use of written, electronic, magnetic and photographic media.

X. PERMIT REVISION PURSUANT TO FEDERAL HAZARDOUS AIR POLLUTANT STANDARD

[A.A.C. R18-2-304.C]

If this source becomes subject to a standard promulgated by the Administrator pursuant to Section 112(d) of the Act, then the Permittee shall, within twelve months of the date on which the standard is promulgated, submit an application for a permit revision demonstrating how the source will comply with the standard.

XI. ACCIDENTAL RELEASE PROGRAM

[40 CFR Part 68]

If this source becomes subject to the provisions of 40 CFR Part 68, then the Permittee shall comply with these provisions according to the time line specified in 40 CFR Part 68.

XII. EXCESS EMISSIONS, PERMIT DEVIATIONS, AND EMERGENCY REPORTING

A. Excess Emissions Reporting

[A.A.C. R18-2-310.01.A and -310.01.B]

1. Excess emissions shall be reported as follows:

a. The Permittee shall report to the Director any emissions in excess of the limits established by this permit. Such report shall be in two parts as specified below:

(1) Notification by telephone or facsimile within 24 hours of the time when the Permittee first learned of the occurrence of excess emissions including all available information from Condition XII.A.1.b below.

(2) Detailed written notification by submission of an excess emissions report within 72 hours of the notification pursuant to Condition XII.A.1.a.(1) above.

b. The report shall contain the following information:

(1) Identity of each stack or other emission point where the excess emissions occurred;

(2) Magnitude of the excess emissions expressed in the units of the applicable emission limitation and the operating data and calculations used in determining the magnitude of the excess emissions;

(3) Date, time and duration, or expected duration, of the excess

emissions;

- (4) Identity of the equipment from which the excess emissions emanated;
- (5) Nature and cause of such emissions;
- (6) If the excess emissions were the result of a malfunction, steps taken to remedy the malfunction and the steps taken or planned to prevent the recurrence of such malfunctions; and
- (7) Steps taken to limit the excess emissions. If the excess emissions resulted from start-up or malfunction, the report shall contain a list of the steps taken to comply with the permit procedures.

2. In the case of continuous or recurring excess emissions, the notification requirements of this section shall be satisfied if the source provides the required notification after excess emissions are first detected and includes in such notification an estimate of the time the excess emissions will continue. Excess emissions occurring after the estimated time period, or changes in the nature of the emissions as originally reported, shall require additional notification pursuant to Condition XII.A.1 above.

[A.A.C. R18-2-310.01.C]

B. Permit Deviations Reporting

[A.A.C. R18-2-306.A.5.b]

The Permittee shall promptly report deviations from permit requirements, including those attributable to upset conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. Prompt reporting shall mean that the report was submitted to the Director by certified mail, facsimile, or hand delivery within two working days of the time when emission limitations were exceeded due to an emergency or within two working days of the time when the owner or operator first learned of the occurrence of a deviation from a permit requirement.

C. Emergency Provision

[A.A.C. R18-2-306.E]

1. An “emergency” means any situation arising from sudden and reasonable unforeseeable events beyond the control of the source, including acts of God, that require immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.
2. An emergency constitutes an affirmative defense to an action brought for

noncompliance with such technology-based emission limitations if Condition XII.C.3 is met.

3. The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - a. An emergency occurred and that the Permittee can identify the cause(s) of the emergency;
 - b. The permitted facility was being properly operated at the time;
 - c. During the period of the emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - d. The Permittee submitted notice of the emergency to the Director by certified mail, facsimile, or hand delivery within two working days of the time when emission limitations were exceeded due to the emergency. This notice shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective action taken.
4. In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
5. This provision is in addition to any emergency or upset provision contained in any applicable requirement.

D. Compliance Schedule

[ARS § 49-426.I.5]

For any excess emission or permit deviation that cannot be corrected within 72 hours, the Permittee is required to submit a compliance schedule to the Director within 21 days of such occurrence. The compliance schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with the permit terms or conditions that have been violated.

E. Affirmative Defenses for Excess Emissions Due to Malfunctions, Startup, and Shutdown

[A.A.C. R18-2-310]

1. Applicability

This rule establishes affirmative defenses for certain emissions in excess of an emission standard or limitation and applies to all emission standards or limitations except for standards or limitations:

- a. Promulgated pursuant to Sections 111 or 112 of the Act;
- b. Promulgated pursuant to Titles IV or VI of the Clean Air Act;

- c. Contained in any Prevention of Significant Deterioration (PSD) or New Source Review (NSR) permit issued by the U.S. EPA;
- d. Contained in A.A.C. R18-2-715.F; or
- e. Included in a permit to meet the requirements of A.A.C. R18-2-406.A.5.

2. Affirmative Defense for Malfunctions

Emissions in excess of an applicable emission limitation due to malfunction shall constitute a violation. When emissions in excess of an applicable emission limitation are due to a malfunction, the Permittee has an affirmative defense to a civil or administrative enforcement proceeding based on that violation, other than a judicial action seeking injunctive relief, if the Permittee has complied with the reporting requirements of A.A.C. R18-2-310.01 and has demonstrated all of the following:

- a. The excess emissions resulted from a sudden and unavoidable breakdown of process equipment or air pollution control equipment beyond the reasonable control of the Permittee;
- b. The air pollution control equipment, process equipment, or processes were at all times maintained and operated in a manner consistent with good practice for minimizing emissions;
- c. If repairs were required, the repairs were made in an expeditious fashion when the applicable emission limitations were being exceeded. Off-shift labor and overtime were utilized where practicable to ensure that the repairs were made as expeditiously as possible. If off-shift labor and overtime were not utilized, the Permittee satisfactorily demonstrated that the measures were impracticable;
- d. The amount and duration of the excess emissions (including any bypass operation) were minimized to the maximum extent practicable during periods of such emissions;
- e. All reasonable steps were taken to minimize the impact of the excess emissions on ambient air quality;
- f. The excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance;
- g. During the period of excess emissions there were no exceedances of the relevant ambient air quality standards established in Title 18, Chapter 2, Article 2 of the Arizona Administrative Code that could be attributed to the emitting source;

- h. The excess emissions did not stem from any activity or event that could have been foreseen and avoided, or planned, and could not have been avoided by better operations and maintenance practices;
- i. All emissions monitoring systems were kept in operation if at all practicable; and
- j. The Permittee's actions in response to the excess emissions were documented by contemporaneous records.

3. Affirmative Defense for Startup and Shutdown

- a. Except as provided in Condition XII.E.3.b below, and unless otherwise provided for in the applicable requirement, emissions in excess of an applicable emission limitation due to startup and shutdown shall constitute a violation. When emissions in excess of an applicable emission limitation are due to startup and shutdown, the Permittee has an affirmative defense to a civil or administrative enforcement proceeding based on that violation, other than a judicial action seeking injunctive relief, if the Permittee has complied with the reporting requirements of A.A.C. R18-2-310.01 and has demonstrated all of the following:
 - (1) The excess emissions could not have been prevented through careful and prudent planning and design;
 - (2) If the excess emissions were the result of a bypass of control equipment, the bypass was unavoidable to prevent loss of life, personal injury, or severe damage to air pollution control equipment, production equipment, or other property;
 - (3) The air pollution control equipment, process equipment, or processes were at all times maintained and operated in a manner consistent with good practice for minimizing emissions;
 - (4) The amount and duration of the excess emissions (including any bypass operation) were minimized to the maximum extent practicable during periods of such emissions;
 - (5) All reasonable steps were taken to minimize the impact of the excess emissions on ambient air quality;
 - (6) During the period of excess emissions there were no exceedances of the relevant ambient air quality standards established in Title 18, Chapter 2, Article 2 of the Arizona Administrative Code that could be attributed to the emitting source;
 - (7) All emissions monitoring systems were kept in operation if at all

practicable; and

- (8) Contemporaneous records documented the Permittee's actions in response to the excess emissions.

- b. If excess emissions occur due to a malfunction during routine startup and shutdown, then those instances shall be treated as other malfunctions subject to Condition XII.E.2 above.

4. Affirmative Defense for Malfunctions During Scheduled Maintenance

If excess emissions occur due to a malfunction during scheduled maintenance, then those instances will be treated as other malfunctions subject to Condition XII.E.2 above.

5. Demonstration of Reasonable and Practicable Measures

For an affirmative defense under Condition XII.E.2 or XII.E.3 above, the Permittee shall demonstrate, through submission of the data and information required by Condition XII.E and A.A.C. R18-2-310.01, that all reasonable and practicable measures within the Permittee's control were implemented to prevent the occurrence of the excess emissions.

XIII. RECORD KEEPING REQUIREMENTS

[A.A.C. R18-2-306.A.4]

- A. The Permittee shall keep records of all required monitoring information including, but not limited to, the following:
 1. The date, place as defined in the permit, and time of sampling or measurements;
 2. The date(s) analyses were performed;
 3. The name of the company or entity that performed the analyses;
 4. A description of the analytical techniques or methods used;
 5. The results of such analyses; and
 6. The operating conditions as existing at the time of sampling or measurement.
- B. The Permittee shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings or other data recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.
- C. All required records shall be maintained either in an unchangeable electronic format or in

a handwritten logbook utilizing indelible ink.

XIV. REPORTING REQUIREMENTS

[A.A.C. R18-2-306.A.5.a]

The Permittee shall submit the following reports:

- A. Compliance certifications in accordance with Section VII of Attachment “A”.
- B. Excess emission; permit deviation, and emergency reports in accordance with Section XII of Attachment “A”.
- C. Other reports required by any condition of Attachment “B”.

XV. DUTY TO PROVIDE INFORMATION

[A.A.C. R18-2-304.G and -306.A.8.e]

- A. The Permittee shall furnish to the Director, within a reasonable time, any information that the Director may request in writing to determine whether cause exists for revising, revoking and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the Permittee shall also furnish to the Director copies of records required to be kept by the permit. For information claimed to be confidential, the Permittee shall furnish an additional copy of such records directly to the Administrator along with a claim of confidentiality.
- B. If the Permittee has failed to submit any relevant facts or has submitted incorrect information in the permit application, the Permittee shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information.

XVI. PERMIT AMENDMENT OR REVISION

[A.A.C. R18-2-317.01, -318, -319, and -320]

The Permittee shall apply for a permit amendment or revision for changes to the facility which do not qualify for a facility change without revision under Section XVII, as follows:

- A. Facility Changes that Require a Permit Revision - Class II (A.A.C. R18-2-317.01);
- B. Administrative Permit Amendment (A.A.C. R18-2-318);
- C. Minor Permit Revision (A.A.C. R18-2-319); and
- D. Significant Permit Revision (A.A.C. R18-2-320)

The applicability and requirements for such action are defined in the above referenced regulations.

XVII. FACILITY CHANGE WITHOUT A PERMIT REVISION

[A.A.C. R18-2-306.A.4 and -317.02]

- A.** Except for a physical change or change in the method of operation at a Class II source requiring a permit revision under A.A.C. R18-2-317.01, or a change subject to logging or notice requirements in Conditions XVII.B and XVII.C below, a change at a Class II source shall not be subject to revision, notice, or logging requirements under this Section.
- B.** Except as otherwise provided in the conditions applicable to an emissions cap created under A.A.C. R18-2-306.02, the following changes may be made if the source keeps on site records of the changes according to Appendix 3 of the Arizona Administrative Code:
1. Implementing an alternative operating scenario, including raw materials changes;
 2. Changing process equipment, operating procedures, or making any other physical change if the permit requires the change to be logged;
 3. Engaging in any new insignificant activity listed in A.A.C. R18-2-101.57.a through A.A.C. R18-2-101.57.i but not listed in the permit;
 4. Replacing an item of air pollution control equipment listed in the permit with an identical (same model, different serial number) item. The Director may require verification of efficiency of the new equipment by performance tests; and
 5. A change that results in a decrease in actual emissions if the source wants to claim credit for the decrease in determining whether the source has a net emissions increase for any purpose. The logged information shall include a description of the change that will produce the decrease in actual emissions. A decrease that has not been logged is creditable only if the decrease is quantifiable, enforceable, and otherwise qualifies as a creditable decrease.
- C.** Except as provided in the conditions applicable to an emissions cap created under A.A.C. R18-2-306.02, the following changes may be made if the source provides written notice to the Department in advance of the change as provided below:
1. Replacing an item of air pollution control equipment listed in the permit with one that is not identical but that is substantially similar and has the same or better pollutant removal efficiency: 7 days. The Director may require verification of efficiency of the new equipment by performance tests;
 2. A physical change or change in the method of operation that increases actual emissions more than 10% of the major source threshold for any conventional pollutant but does not require a permit revision: 7 days;
 3. Replacing an item of air pollution control equipment listed in the permit with one that is not substantially similar but that has the same or better efficiency: 30 days. The Director may require verification of efficiency of the new equipment by performance tests;
 4. A change that would trigger an applicable requirement that already exists in the

permit: 30 days unless otherwise required by the applicable requirement;

5. A change that amounts to reconstruction of the source or an affected facility: 7 days. For the purposes of this subsection, reconstruction of a source or an affected facility shall be presumed if the fixed capital cost of the new components exceeds 50% of the fixed capital cost of a comparable entirely new source or affected facility and the changes to the components have occurred over the 12 consecutive months beginning with commencement of construction; and
6. A change that will result in the emissions of a new regulated air pollutant above an applicable regulatory threshold but that does not trigger a new applicable requirement for that source category: 30 days. For purposes of this requirement, an applicable regulatory threshold for a conventional air pollutant shall be 10% of the applicable major source threshold for that pollutant.

D. For each change under Condition XVII.C above, the written notice shall be by certified mail or hand delivery and shall be received by the Director the minimum amount of time in advance of the change. Notifications of changes associated with emergency conditions, such as malfunctions necessitating the replacement of equipment, may be provided with less than required notice, but must be provided as far in advance of the change, or if advance notification is not practicable, as soon after the change as possible. The written notice shall include:

1. When the proposed change will occur;
2. A description of the change;
3. Any change in emissions of regulated air pollutants; and
4. Any permit term or condition that is no longer applicable as a result of the change.

E. A source may implement any change in Condition XVII.C above without the required notice by applying for a minor permit revision under A.A.C. R18-2-319 and complying with subsection A.A.C. R18-2-319.D.2 and A.A.C. R18-2-319.G.

F. The permit shield described in A.A.C. R18-2-325 shall not apply to any change made under this Section, other than implementation of an alternate operating scenario under Condition XVII.B.1.

G. Notwithstanding any other part of this Section, the Director may require a permit to be revised for any change that, when considered together with any other changes submitted by the same source under this Section over the term of the permit, constitutes a change under subsection A.A.C. R18-2-317.01.A.

H. If a source change is described under both Conditions XVII.B and XVII.C above, the source shall comply with Condition XVII.C above. If a source change is described under both Condition XVII.C above and A.A.C. R18-2-317.01.B, the source shall comply with

A.A.C. R18-2-317.01.B.

- I.** A copy of all logs required under Condition XVII.B shall be filed with the Director within 30 days after each anniversary of the permit issuance date. If no changes were made at the source requiring logging, a statement to that effect shall be filed instead.

J. Logging Requirements

[A.A.C. R18-2-306.A.4]

1. Each log entry required by a change under Condition XVII.B shall include at least the following information:
 - a. A description of the change, including:
 - (1) A description of any process change;
 - (2) A description of any equipment change, including both old and new equipment descriptions, model numbers, and serial numbers, or any other unique equipment ID number; and
 - (3) A description of any process material change.
 - b. The date and time that the change occurred.
 - c. The provision of A.A.C. R18-2-317.02.B that authorizes the change to be made with logging.
 - d. The date the entry was made and the first and last name of the person making the entry.
2. Logs shall be kept for 5 years from the date created. Logging shall be performed in indelible ink in a bound log book with sequentially number pages, or in any other form, including electronic format, approved by the Director.

XVIII. TESTING REQUIREMENTS

[A.A.C. R18-2-312]

- A.** The Permittee shall conduct performance tests as specified in the permit and at such other times as may be required by the Director.

B. Operational Conditions During Testing

Tests shall be conducted during operation at the maximum possible capacity of each unit under representative operational conditions unless other conditions are required by the applicable test method or in this permit. With prior written approval from the Director, testing may be performed at a lower rate. Operations during periods of start-up, shutdown, and malfunction (as defined in A.A.C. R18-2-101) shall not constitute representative operational conditions unless otherwise specified in the applicable standard.

- C. Tests shall be conducted and data reduced in accordance with the test methods and procedures contained in the Arizona Testing Manual unless modified by the Director pursuant to A.A.C. R18-2-312.B.

D. Test Plan

At least 14 calendar days prior to performing a test, the Permittee shall submit a test plan to the Director in accordance with A.A.C. R18-2-312.B and the Arizona Testing Manual. This test plan must include the following:

1. Test duration;
2. Test location(s);
3. Test method(s); and
4. Source operation and other parameters that may affect test results.

E. Stack Sampling Facilities

The Permittee shall provide, or cause to be provided, performance testing facilities as follows:

1. Sampling ports adequate for test methods applicable to the facility;
2. Safe sampling platform(s);
3. Safe access to sampling platform(s); and
4. Utilities for sampling and testing equipment.

F. Interpretation of Final Results

Each performance test shall consist of three separate runs using the applicable test method. Each run shall be conducted for the time and under the conditions specified in the applicable standard. For the purpose of determining compliance with an applicable standard, the arithmetic mean of the results of the three runs shall apply. In the event that a sample is accidentally lost or conditions occur in which one of the three runs is required to be discontinued because of forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the Permittee's control, compliance may, upon the Director's approval, be determined using the arithmetic mean of the results of the other two runs. If the Director or the Director's designee is present, tests may only be stopped with the Director's or such designee's approval. If the Director or the Director's designee is not present, tests may only be stopped for good cause. Good cause includes: forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the Permittee's control. Termination of any test without good

cause after the first run is commenced shall constitute a failure of the test. Supporting documentation, which demonstrates good cause, must be submitted.

G. Report of Final Test Results

A written report of the results of all performance tests shall be submitted to the Director within 30 days after the test is performed. The report shall be submitted in accordance with the Arizona Testing Manual and A.A.C. R18-2-312.A.

XIX. PROPERTY RIGHTS

[A.A.C. R18-2-306.A.8.d]

This permit does not convey any property rights of any sort, or any exclusive privilege.

XX. SEVERABILITY CLAUSE

[A.A.C. R18-2-306.A.7]

The provisions of this permit are severable. In the event of a challenge to any portion of this permit, or if any portion of this permit is held invalid, the remaining permit conditions remain valid and in force.

XXI. PERMIT SHIELD

[A.A.C. R18-2-325]

Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements identified in the portions of this permit subtitled "Permit Shield". The permit shield shall not apply to any minor revisions pursuant to Condition XVI.C of this Attachment and any facility changes without a permit revision pursuant to Section XVII of this Attachment.

This page was left blank intentionally.

ATTACHMENT “B”: SPECIFIC CONDITIONS

Air Quality Control Permit No. 46673

For

Nord Resources Corporation

I. RELATIONSHIP OF PERMIT TO APPLICABLE STATE IMPLEMENTATION PLAN

[ARS § 49-404.c and -426]

This permit is issued pursuant to the provisions of the Arizona Revised Statutes (A.R.S.) and constitutes an Installation Permit for the purpose of the applicable State Implementation Plan.

II. FACILITY WIDE LIMITATIONS

A. Operating Limitations

1. *The Permittee shall limit the total use of the haul trucks on unpaved roads to 1842 miles per day.*
[A.A.C. R18-2-306.01 and -331.A.3.a]
[Material Permit Conditions are indicated by underline and italics]
2. *The Permittee shall limit blasting to 1 blast per day.*
[A.A.C. R18-2-306.01 and -331.A.3.a]
[Material Permit Conditions are indicated by underline and italics]
3. Within 90 days of the issuance of the permit the Permittee shall have on site or on call a person that is certified in EPA Reference Method 9.
[A.A.C. R18-2-306.A.3.c]
4. All equipment identified in Attachment “C” shall be operated and maintained in accordance with vendor-supplied operations and maintenance instructions. If vendor-supplied operations and maintenance instructions are not available, the Permittee shall prepare and follow an Operation and Maintenance Plan, which provides adequate information to properly operate and maintain the equipment.
[A.A.C. R18-2-306.A.2]
5. No later than 60 days after installation, or upon start-up, whichever is earlier, the Permittee shall provide the make, model and date of manufacture for such equipment as listed in Attachment “C”.
[A.A.C. R18-2-306.A.3.c]
6. The Permittee shall not cause or permit the emission of gaseous or odorous materials from equipment, operations, and premises under its control in such quantities or concentrations as to cause air pollution.
[A.A.C. R18-2-730.D]

B. Monitoring, Record Keeping, and Reporting Requirements

1. The Permittee shall show compliance with the haul truck limitation in Condition II.A.1 as follows:
 - a. Record the odometer reading of each haul truck at the beginning and end of each day.
 - b. Calculate and record the cumulative miles traveled by all haul trucks at the end of each day.
 - c. Subtract the miles traveled on paved roads from the cumulative miles calculated in “b” above.
[A.A.C. R18-2-306.A.3.c and 4.a]
2. The Permittee shall show compliance with the blasting limitation in Condition II.A.2 by keeping records of any blasting conducted.
[A.A.C. R18-2-306.A.3.c and 4.a]
3. The Permittee shall submit reports of all recordkeeping, monitoring and maintenance required within this Attachment “B” along with the semiannual compliance certifications required by Section VII of Attachment “A”.
[A.A.C. R18-2-306.A.5]
4. The Permittee shall maintain, on-site, records of the manufacturer's specifications or Operation and Maintenance Plan for equipment listed in Attachment “C”. These shall be available to ADEQ upon request.
[A.A.C. R18-2-306.A.4]

C. Dust Control Plan

1. The Permittee shall construct, maintain, and operate the facility in accordance with a Director-approved dust control plan that ensures a minimum 75% level of dust control on all unpaved roads.
[A.A.C. R18-2-306.A.3.c and 4.a]
2. The Dust Control Plan shall contain at a minimum:
 - a. Control measures or a combination thereof to be applied to all actual and potential fugitive dust sources, before, after, and while conducting any dust generating operation, including during weekends, after work hours, and on holidays.
 - b. Justification that the control measures will produce a minimum 75% level of dust control on all unpaved roads.
 - c. Frequency of application of water or chemical suppressants

- d. Quantity of application of water or chemical suppressants
 - e. Adequate recordkeeping measures to ensure compliance with the Dust Control Plan
 - f. A drawing that shows:
 - (1) Entire project site boundaries;
 - (2) Acres to be disturbed with linear dimensions;
 - (3) Nearest public roads;
 - (4) North arrow; and
 - (5) Planned exit locations onto paved public roadways.
- [A.A.C. R18-2-306.A.3.c and 4.a]
- 3. The Permittee shall make no changes to the Dust Control Plan without prior approval from the Director.
- [A.A.C. R18-2-306.A.3.c]

III. METALLIC MINERAL PROCESSING SUBJECT TO NSPS SUBPART LL

A. Applicability

This Section applies to the metallic mineral processing equipment which is identified in Attachment “C” as subject to NSPS 40 CFR 60 Subpart LL.

B. Particulate Matter and Opacity

1. Emission Limitations/Standards

- a. *The Permittee shall not cause to be discharged into the atmosphere from Baghouses DC-01 or DC-02 any emissions that contain particulate matter in excess of 0.05 grams per dry standard cubic meter (0.02 grains per dry standard cubic foot).*

[40 CFR 60.382(a)(1) and A.A.C.18-2-331.A.3.a]
[Material permit conditions are indicated by underline and italics]
- b. *The Permittee shall not cause to be discharged into the atmosphere from Baghouses DC-01 or DC-02 any emissions that exhibit greater than 7 percent opacity.*

[40 CFR 60.382(a)(2) and A.A.C.18-2-331.A.3.f]
[Material permit conditions are indicated by underline and italics]

- c. The Permittee shall not cause to be discharged into the atmosphere from any affected facility any process fugitive emissions that exhibit greater than 10 percent opacity.

[40 CFR 60.382(b) and A.A.C.18-2-331.A.3.f]

[Material permit conditions are indicated by underline and italics]

2. Air Pollution Control Equipment

- a. The Permittee shall install, operate and maintain Baghouse DC-01 to control particulate matter emissions from the following sources:

- (1) Primary Crusher CR-01
- (2) Primary Screen SCR-01
- (3) Primary Screen SCR-02
- (4) The Primary Crusher (CR-01) to Primary Crushing Discharge Conveyor (BC-01) transfer point
- (5) The Primary Crushing Discharge Conveyor (BC-01) to Belt Conveyor (BC-02) transfer point
- (6) The Belt Conveyor (BC-03) to Primary Screen (SCR-01) transfer point
- (7) The Belt Conveyor (BC-03) to Primary Screen (SCR-02) transfer point
- (8) The Primary Screen (SCR-01) to Oversize Screen Discharge Belt Conveyor (BC-05) transfer point
- (9) The Primary Screen (SCR-02) to Oversize Screen Discharge Belt Conveyor (BC-05) transfer point
- (10) The Primary Screen (SCR-01) to Undersize Screen Discharge Belt Conveyor (BC-07A) transfer point
- (11) The Primary Screen (SCR-02) to Undersize Screen Discharge Belt Conveyor (BC-07B) transfer point
- (12) The Undersize Screen Discharge Belt Conveyor (BC-07A) to Belt Conveyor (BC-08) transfer point
- (13) The Undersize Screen Discharge Belt Conveyor (BC-07B) to Belt Conveyor (BC-08) transfer point

[A.A.C. R18-2-306.01 and -331.A.3.d and e]

[Material Permit Conditions are indicated by underline and italics]

b. The Permittee shall install, operate and maintain Baghouse DC-02 to control particulate matter emissions from the following sources:

- (1) Secondary Crusher CR-02
- (2) Secondary Crusher CR-03
- (3) The Oversize Screen Discharge Belt Conveyor (BC-05) to Surge Bin (BIN-01) transfer point
- (4) The Secondary Crushing Feed Belt Conveyor (BC-06A) to Secondary Crusher (CR-03) transfer point
- (5) The Secondary Crushing Feed Belt Conveyor (BC-06B) to Secondary Crusher (CR-02) transfer point
- (6) The Secondary Crusher (CR-02) to Secondary Crusher Belt Conveyor (BC-09) transfer point
- (7) The Secondary Crusher (CR-03) to Secondary Crusher Belt Conveyor (BC-09) transfer point

[A.A.C. R18-2-306.01 and -331.A.3.d and e]

[Material Permit Conditions are indicated by underline and italics]

c. The Permittee shall install, operate and maintain water sprays to control particulate matter emissions associated with material handling from the Belt Conveyor (BC-08) to Secondary Crushers Discharge Belt Conveyor (BC-09) transfer point.

[A.A.C. R18-2-306.01 and -331.A.3.d and e]

[Material Permit Conditions are indicated by underline and italics]

3. Monitoring, Reporting and Recordkeeping Requirements

a. Baghouse Stack Opacity

(1) Baseline establishment

- (a) The Permittee shall use the results of the Method 9 performance test required by Condition III.B.4.c to establish a baseline opacity level for the baghouse stacks. Within 30 days of establishing the baseline opacity, the Permittee shall report the results to the Director.

[A.A.C. R18-2-306.A.3.c and 306.A.5]

- (b) The Permittee may re-establish the baseline opacity levels. Re-establishment of a baseline shall be performed utilizing the same procedures used in setting up the initial baseline level. Within 30 days of re-

establishing the baseline opacity, the Permittee shall report the results to the Director. The report shall also contain a description of the need for re-establishing the baseline.

[A.A.C. R18-2-306.A.3.c and 306.A.5]

(2) Biweekly stack opacity monitoring

- (a) A certified Method 9 observer shall conduct a bi-weekly visual survey of emissions from the baghouse stacks when the baghouses are in operation. The Permittee shall keep a record of the name of the observer, the date on which the observation was made, and the results of the observation.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- (b) If the observer sees a plume from the baghouse stacks that on an instantaneous basis appears to exceed the baseline opacity level, then the observer shall take a six-minute Method 9 observation of the plume. If visibility or other conditions prevent the observation, then the observer shall document these conditions.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- (c) If the six-minute opacity of the plume is less than the baseline level, the observer shall make a record of the results of the Method 9 observation.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- (d) If the six-minute opacity of the plume exceeds the baseline level but is less than the applicable opacity standard of 7%, the Permittee shall adjust or repair the controls or process equipment as necessary to reduce opacity to the baseline level. The Permittee shall make a record of the results of the Method 9 observation and the corrective action taken.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- (e) If the six-minute opacity of the plume exceeds the applicable opacity standard of 7%, the Permittee shall adjust or repair the controls or process equipment as necessary to reduce opacity to the baseline level and report the incident as an excess emission for opacity. The Permittee shall make a record of the results of the Method 9 observation, the corrective action taken, and the excess emissions report.

[A.A.C. R18-2-306.A.3.c, 306.A.4 and 306.A.5]

b. Process Source Fugitive Emissions

- (1) A certified Method 9 observer shall conduct a bi-weekly visual survey of fugitive emissions from all the process sources covered by this Section while they are in operation. The Permittee shall keep a record of the name of the observer, the date on which the observation was made, and the results of the observation.
[A.A.C. R18-2-306.A.3.c and 306.A.4]
- (2) If the observer sees a plume from a fugitive source that on an instantaneous basis appears to exceed the applicable opacity standard of 10%, then the observer shall take a six-minute Method 9 observation of the plume. If visibility or other conditions prevent the observation, then the observer shall document these conditions.
[A.A.C. R18-2-306.A.3.c and 306.A.4]
- (3) If the six-minute opacity of the plume is less than the applicable opacity standard of 10%, then the observer shall make a record of the results of the Method 9 observation.
[A.A.C. R18-2-306.A.3.c and 306.A.4]
- (4) If the six-minute opacity of the plume exceeds the applicable opacity standard of 10%, the Permittee shall adjust or repair the controls or process equipment as necessary to reduce opacity to the baseline level and report the incident as an excess emission for opacity. The Permittee shall make a record of the results of the Method 9 observation, the corrective action taken, and the excess emissions report.
[A.A.C. R18-2-306.A.3.c, 306.A.4 and 306.A.5]

4. Testing Requirements

- a. For the purpose of demonstrating compliance with Condition III.B.1.a the Permittee shall conduct performance tests, and furnish the Director a written report of the results, for particulate matter in the discharge of the baghouses within 60 days of achieving the maximum production rate at the facility, but no later than 180 days after the initial start-up, and once per year thereafter.
[40 CFR 60.8(a) and 386(a)]
[A.A.C. R18-2-306.A.3 and 306.A.5]
- b. EPA Reference Method 5 or 17 shall be used to determine the concentration of particulate matter emissions from the baghouse stacks. The sampling volume for each run shall be at least 1.7 dscm (60 dscf). The sampling probe and filter holder of Method 5 may be operated without heaters if the gas stream being sampled is at ambient temperature. For gas streams above ambient temperature, the Method 5 sampling train shall be operated with a probe and filter temperature slightly above the effluent temperature (up to a maximum filter temperature of 121° C (250° F) in order to prevent water condensation on

the filter.

[40 CFR 60.386(b)(1)]

- c. For the purpose of demonstrating initial compliance with Conditions III.B.1.b. and c., opacity observations shall be conducted concurrently with the initial performance test required in Condition III.B.4.a above, except as allowed in 40 CFR 60.11(e)(1). The minimum total time of observations shall be 3 hours (30 6-minute averages).

[40 CFR 60.11(b) and 386(b)(2)]

- d. EPA Reference Method 9 and the procedures in 40 CFR 60.11 shall be used to determine opacity from stack emissions and process fugitive emissions. The observer shall read opacity only when emissions are clearly identified as emanating solely from the affected facility being observed.

[40 CFR 60.386(b)(2)]

- e. The Permittee shall conduct annual six-minute EPA Method 9 opacity observations on all emission units covered by this Section.

[A.A.C. R18-2-306.A.3.c]

5. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with 40 CFR 60.8(a), 60.382(a)(1) and (2), 60.382(b), 60.386(a), and 60.386(b)(1) and (2).

[A.A.C. R18-2-325]

IV. METALLIC MINERAL PROCESSING SUBJECT TO A.A.C. R18-2-721

A. Applicability

This section applies to the material handling between the primary crusher and the coarse ore stockpile, the lengths of all conveyor belts between the transfer points, the conveyor to fine ore stockpile drop point, the agglomerator, and the final conveyor drop point at any leach pad.

B. Particulate Matter and Opacity

1. Emission Limitations/Standards

- a. The Permittee shall not cause, allow or permit the discharge of particulate matter into the atmosphere in any one hour from any process source subject to the provisions of this Section in total quantities in excess of the amounts calculated by one of the following equations:

- (1) For process sources having a process weight rate of 30 tons per hour or less, the maximum allowable emissions shall be determined by the following equation:

$$E = 4.10P^{0.67}$$

Where:

E = the maximum allowable particulate emissions rate in pounds-mass per hour.

P = the process weight rate in tons-mass per hour.

[A.A.C. R18-2-721.B.1]

- (2) For process sources having a process weight rate greater than 30 tons per hour, the maximum allowable emissions shall be determined by the following equation:

$$E = 55.0P^{0.11} - 40$$

Where E and P are defined as indicated in IV.B.1.a.(1) above.

[A.A.C. R18-2-721.B.2]

- b. For purposes of this Section, the total process weight from all similar units employing a similar type process shall be used in determining the maximum allowable emissions of particulate matter.
[A.A.C. R18-2-721.D]
- c. The opacity of any plume or effluent from any process source subject to the provisions of this Section shall not be greater than 20%.
[A.A.C. R18-2-702.B.3]
- d. If the presence of uncombined water is the only reason for an exceedance of the visible emissions requirements in IV.C.1.a above, the exceedance shall not constitute a violation of the applicable opacity limit.
[A.A.C. R18-2-702.C]

2. Air Pollution Control Equipment

The Permittee shall, to the extent practicable, install, operate and maintain water sprays to control particulate matter emissions from the following sources:

- a *The Belt Conveyor (BC-02) to Coarse Ore Stockpile (SP-01) transfer point*
- b *The Secondary Crusher Discharge Belt Conveyor (BC-09) to Fine Ore Stockpile (SP-02) transfer point*

[A.A.C. R18-2-306.01 and -331.A.3.d and e]

[Material Permit Conditions are indicated by underline and italics]

3. Monitoring, Reporting and Recordkeeping Requirements

- a. A certified Method 9 observer shall conduct a bi-weekly visual survey of emissions from all the sources covered by this Section while they are in operation. The Permittee shall keep a record of the name of the observer, the date on which the observation was made, and the results of the observation.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- b. If the observer sees a plume that on an instantaneous basis appears to exceed the applicable opacity standard of 20%, then the observer shall take a six-minute Method 9 observation of the plume. If visibility or other conditions prevent the observation, then the observer shall document these conditions.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- c. If the six-minute opacity of the plume is less than the applicable opacity standard of 20%, then the observer shall make a record of the results of the Method 9 observation.

[A.A.C. R18-2-306.A.3.c and 306.A.4]

- d. If the six-minute opacity of the plume exceeds the applicable opacity standard of 20%, the Permittee shall adjust or repair the equipment as necessary to reduce opacity to a level below 20% and report the incident as an excess emission for opacity. The Permittee shall make a record of the results of the Method 9 observation, the corrective action taken, and the excess emissions report.

[A.A.C. R18-2-306.A.3.c, 306.A.4 and 306.A.5]

4. Testing Requirements

The Permittee shall conduct annual six-minute EPA Method 9 opacity observations on all emission units covered by this Section.

[A.A.C. R18-2-306.A.3.c]

5. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-702.B.3, 702.C and 721.B, D and F.

[A.A.C. R18-2-325]

V. ELECTROLYTE HEATER

A. Applicability

This section applies to the Electrolyte Heater (HTR-1) and the Backup Electrolyte Heater (HTR-2).

B. Operational Limitations

1. The Permittee shall burn only propane in the electrolyte heaters.
[A.A.C.R18-2-306.01]
2. The Permittee shall not operate the Electrolyte Heater and the Backup Electrolyte Heater simultaneously.
[A.A.C.R18-2-306.01]

C. Particulate Matter

1. Emission Limitation

The Permittee shall not cause, allow or permit the emission of particulate matter, caused by combustion of fuel, from the electrolyte heater in excess of the amounts calculated by the following equation:

$$E = 1.02Q^{0.769}$$

Where:

E = the maximum allowable particulate emissions rate in pounds-mass per hour

Q = the heat input in million Btu per hour.

[A.A.C.R18-2-724.C.1]

2. Permit Shield

Compliance with this Part shall be deemed compliance with A.A.C.R18-2-724.C.1.

[A.A.C. R18-2-325]

D. Opacity

1. Emission Limitations

The Permittee shall not cause, allow or permit the opacity of any plume or effluent from the electrolyte heater to exceed 15 percent.

[A.A.C.R18-2-724.J]

2. Monitoring, Recordkeeping and Reporting Requirements

- a. The Permittee shall report all six-minute periods in which the opacity of any plume or effluent exceeds 15 percent.

[A.A.C.R18-2-724.J]

- b. A certified EPA Reference Method 9 observer shall conduct a monthly survey of visible emissions emanating from the stack of the electrolyte heater when in operation. If the opacity of the emissions observed appears to exceed the standard, the observer shall conduct a certified

EPA Reference Method 9 observation. The Permittee shall keep records of the initial survey and any EPA Reference Method 9 observations performed. These records shall include the emission point observed, location of observer, name of observer, date and time of observation, and the results of the observation. If the observation shows a Method 9 opacity reading in excess of 15%, the Permittee shall report this to ADEQ as excess emission and initiate appropriate corrective action to reduce the opacity below 15%. The Permittee shall keep a record of the corrective action performed.

[A.A.C. R18-2-306.A.3.c, .306.A.4.a and 306.A.5]

3. Permit Shield

Compliance with this Part shall be deemed compliance with A.A.C.R18-2-724.J.

[A.A.C. R18-2-325]

VI. SOLUTION EXTRACTION/ELECTROWINNING PROCESS (SX/EW)

A. Applicability

This Section applies to the solution extraction/electrowinning process.

B. Emission Limitations/Standards

1. Materials including solvents or other volatile compounds, acids and alkalis utilized in the SX/EW process shall be processed, stored, used and transported in such a manner and by such means that they will not evaporate, leak, escape or be otherwise discharged into the ambient air so as to cause or contribute to air pollution. Where means are available to reduce effectively the contribution to air pollution from evaporation, leakage or discharge, the installation and use of such control methods, devices or other equipment shall be mandatory.

[A.A.C. R18-2-730.F]

2. Where a stack, vent or other outlet is at such a level that fumes, gas mist, odor, smoke, vapor or any combination thereof constituting air pollution is discharged to adjoining property, the Director may require the installation of abatement equipment or the alteration of such stack, vent or other outlet by the Permittee to a degree that will adequately dilute, reduce or eliminate the discharge of air pollution to adjoining property.

[A.A.C. R18-2-730.G]

C. Air Pollution Control Requirements

1. The Permittee shall install, maintain and use covers on the SX mixer settler tanks and the SX Organic Recovery Sump Tank to control emissions from the Solution Extraction Plant.

[A.A.C. R18-2-306.A.2 and -331.A.3.d and e]

[Material permit conditions are indicated by underline and italics]

2. The Permittee shall use one or more of the following methods to control

emissions from the Electrowinning Tankhouse Cells:

- a. *Foam*
- b. *Dispersion Balls*
- c. *Surfactants*
- d. *Other effective means of controlling sulfuric acid emissions approved by the Director.*

[A.A.C. R18-2-306.A.2 and -331.A.3.e]

[Material permit conditions are indicated by underline and italics]

D. Monitoring, Reporting and Recordkeeping Requirements

The Permittee shall maintain a written record of all control measures used to limit emissions from the SX and EW processes. The records shall include dates of usage.

[A.A.C. R18-2-306.A.4.a]

E. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-730.D, F and G.

[A.A.C. R18-2-325]

VII. FUGITIVE DUST REQUIREMENTS

A. Applicability

This Section applies to any source of fugitive dust in the facility.

B. Particulate Matter and Opacity

1. Open Areas, Roadways & Streets, Storage Piles, and Material Handling

a. Emission Limitations/Standards

- (1) Opacity of emissions from any fugitive dust non-point source shall not be greater than 40% measured in accordance with the Arizona Testing Manual, Reference Method 9.

[A.A.C. R18-2-614]

- (2) The Permittee shall not cause, allow or permit visible emissions from any fugitive dust point source, in excess of 20 percent opacity.

[A.A.C-R18-2-702.B]

- (3) The Permittee shall employ the following reasonable precautions to prevent excessive amounts of particulate matter from becoming airborne:

- (a) Keep dust and other types of air contaminants to a minimum in an open area where construction operations, repair operations, demolition activities, clearing operations, leveling operations, or any earth moving or excavating activities are taking place, by good modern practices such as using an approved dust suppressant or adhesive soil stabilizer, paving, covering, landscaping, continuous wetting, detouring, barring access, or other acceptable means;
[A.A.C. R18-2-604.A]
- (b) Keep dust to a minimum from driveways, parking areas, and vacant lots where motor vehicular activity occurs by using an approved dust suppressant, or adhesive soil stabilizer, or by paving, or by barring access to the property, or by other acceptable means;
[A.A.C. R18-2-604.B]
- (c) Keep dust and other particulates to a minimum by employing dust suppressants, temporary paving, detouring, wetting down or by other reasonable means when a roadway is repaired, constructed, or reconstructed;
[A.A.C. R18-2-605.A]
- (d) Take reasonable precautions, such as wetting, applying dust suppressants, or covering the load when transporting material likely to give rise to airborne dust;
[A.A.C. R18-2-605.B]
- (e) Take reasonable precautions, such as the use of spray bars, wetting agents, dust suppressants, covering the load, and hoods when crushing, handling, or conveying material likely to give rise to airborne dust;
[A.A.C. R18-2-606]
- (f) Take reasonable precautions such as chemical stabilization, wetting, or covering when organic or inorganic dust producing material is being stacked, piled, or otherwise stored;
[A.A.C. R18-2-607.A]
- (g) Operate stacking and reclaiming machinery utilized at storage piles at all times with a minimum fall of material, or with the use of spray bars and wetting agents;
[A.A.C. R18-2-607.B]

- (h) Any other method as proposed by the Permittee and approved by the Director.

[A.A.C. R18-2-306.A.3.c]

b. Air Pollution Control Requirements

Water, or an equivalent control, shall be used to control visible emissions from haul roads and storage piles.

[A.A.C. R-18-2-306.A.2 and -331.A.3.d]

[Material Permit Condition is indicated by underline and italics]

c. Monitoring and Recordkeeping Requirements

- (1) The Permittee shall maintain records of the dates on which any of the activities listed in Conditions VII.B.1.a.(3)(a) through VII.B.1.a.(3)(h) above were performed and the control measures that were utilized.

[A.A.C. R18-2-306.A.3.c]

(2) Opacity Monitoring Requirements

- (a) A certified Method 9 observer shall conduct a monthly visual survey of visible emissions from the fugitive dust sources. The Permittee shall keep a record of the name of the observer, the date and location on which the observation was made, and the results of the observation.

- (b) If the observer sees a visible emission from a fugitive dust source that on an instantaneous basis appears to exceed the applicable opacity standard, then the observer shall take a six-minute Method 9 observation of the visible emission.

- (1) If the six-minute opacity of the visible emission is less than or equal to the applicable opacity standard, the observer shall make a record of the results of the Method 9 observation:

- (2). If the six-minute opacity of the visible emission exceeds the applicable opacity standard, then the Permittee shall adjust or repair the controls or equipment to reduce opacity to below the applicable standard; and report it as an excess emission under Section XII.A of Attachment "A". The Permittee shall make a record of the results of the Method 9 observation, the corrective action taken and the excess emissions report.

[A.A.C. R18-2-306.A.3.c, 306.A.4 and 306.A.5]

d. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-604.A, A.A.C. R18-2-604.B, A.A.C. R18-2-605, A.A.C. R18-2-606, A.A.C. R18-2-607, and A.A.C. R18-2-612.

[A.A.C. R18-2-325]

VIII. MOBILE SOURCE REQUIREMENTS

A. Applicability

The requirements of this Section are applicable to mobile sources which either move while emitting air contaminants or are frequently moved during the course of their utilization but are not classified as motor vehicles, agricultural vehicles, or agricultural equipment used in normal farm operations. Mobile sources shall not include portable sources as defined in A.A.C. R18-2-101.90.

[A.A.C.R18-2-801.A]

B. Particulate Matter and Opacity

1. Emission Limitations/Standards

a. Off-Road Machinery

The Permittee shall not cause, allow, or permit to be emitted into the atmosphere from any off-road machinery, smoke for any period greater than ten consecutive seconds, the opacity of which exceeds 40%. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes. Off-road machinery shall include trucks, graders, scrapers, rollers, and other construction and mining machinery not normally driven on a completed public roadway.

[A.A.C.R18-2-802.A and -802.B]

b. Roadway and Site Cleaning Machinery

- (1) The Permittee shall not cause, allow or permit to be emitted into the atmosphere from any roadway and site cleaning machinery smoke or dust for any period greater than ten consecutive seconds, the opacity of which exceeds 40%. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes.

[A.A.C.R18-2-804.A]

- (2) The Permittee shall take reasonable precautions, such as the use of dust suppressants, before the cleaning of a site, roadway, or alley. Earth or other material shall be removed from paved streets onto which earth or other material has been transported by trucking or earth moving equipment, erosion by water or by other means.

[A.A.C. R18-2-804.B]

- c. Unless otherwise specified, no mobile source shall emit smoke or dust the opacity of which exceeds 40%. [A.A.C.R18-2-801.B]

2. Recordkeeping Requirement

The Permittee shall keep a record of all emissions related maintenance activities performed on the Permittee's mobile sources stationed at the facility as per manufacturer's specifications. [A.A.C.R18-2-306.A.5.a]

3. Permit Shield

Compliance with this Section shall be deemed compliance with A.A.C. R18-2-801, A.A.C. R18-2-802.A, A.A.C. R18-2-804.A and A.A.C. R18-2-804.B. [A.A.C.R18-2-325]

IX. OTHER PERIODIC ACTIVITY REQUIREMENTS

A. Abrasive Blasting

1. Particulate Matter and Opacity

a. Emission Limitations/Standards

The Permittee shall not cause or allow sandblasting or other abrasive blasting without minimizing dust emissions to the atmosphere through the use of good modern practices. Good modern practices include:

- (1) wet blasting;
- (2) effective enclosures with necessary dust collecting equipment; or
- (3) any other method approved by the Director.

[A.A.C. R18-2-726]

b. Opacity

The Permittee shall not cause, allow or permit visible emissions from sandblasting or other abrasive blasting operations in excess of 20% opacity, as measured by EPA Reference Method 9.

[A.A.C. R18-2-702.B]

2. Monitoring and Recordkeeping Requirement

Each time an abrasive blasting project is conducted, the Permittee shall log in indelible ink or in an electronic format, a record of the following:

- a. The date the project was conducted;

- b. The duration of the project; and
- c. Type of control measures employed.

[A.A.C. R18-2-306.A.3.c]

3. Permit Shield

Compliance with this Part shall be deemed compliance with A.A.C. R18-2-726,
A.A.C. R18-2-702.B. [A.A.C.R18-2-325]

B. Use of Paints

1. Volatile Organic Compounds

a. Emission Limitations/Standards

While performing spray painting operations, the Permittee shall comply with the following requirements:

- (1) The Permittee shall not conduct or cause to be conducted any spray painting operation without minimizing organic solvent emissions. Such operations, other than architectural coating and spot painting, shall be conducted in an enclosed area equipped with controls containing no less than 96 percent of the overspray.

[A.A.C.R18-2-727.A]

- (2) The Permittee or their designated contractor shall not either:

- (a) Employ, apply, evaporate, or dry any architectural coating containing photochemically reactive solvents for industrial or commercial purposes; or
- (b) Thin or dilute any architectural coating with a photochemically reactive solvent.

[A.A.C.R18-2-727.B]

- (3) For the purposes of Condition IX.B.1.a.(2), a photochemically reactive solvent shall be any solvent with an aggregate of more than 20 percent of its total volume composed of the chemical compounds classified in Conditions IX.B.1.a.(3)(a) through IX.B.1.a.(3)(c) below, or which exceeds any of the following percentage composition limitations, referred to the total volume of solvent:

- (a) A combination of the following types of compounds having an olefinic or cyclo-olefinic type of unsaturation-hydrocarbons, alcohols, aldehydes, esters, ethers, or ketones: 5 percent.

(b) A combination of aromatic compounds with eight or more carbon atoms to the molecule except ethylbenzene: 8 percent.

(c) A combination of ethylbenzene, ketones having branched hydrocarbon structures, trichloroethylene or toluene: 20 percent.

[A.A.C.R18-2-727.C]

(4) Whenever any organic solvent or any constituent of an organic solvent may be classified from its chemical structure into more than one of the groups of organic compounds described in Conditions IX.B.1.a.(3)(a) through IX.B.1.a.(3)(c) above, it shall be considered to be a member of the group having the least allowable percent of the total volume of solvents.

[A.A.C.R18-2-727.D]

(5) The Permittee shall not dispose of by evaporation more than 1.5 gallons of photochemically reactive solvent in any one day.

[SIP Provision R9-3-527.C]

b. Monitoring and Recordkeeping Requirements

(1) Each time a spray painting project is conducted, the Permittee shall log in indelible ink, or in an electronic format, a record of the following:

(a) The date the project was conducted;

(b) The duration of the project;

(c) Type of control measures employed;

(d) Material Safety Data Sheets for all paints and solvents used in the project; and

(e) The amount of paint consumed during the project.

(2) Architectural coating and spot painting projects shall be exempt from the recordkeeping requirements of Condition IX.B.1.b.(1) above.

[A.A.C. R18-2-306.A.3.c]

c. Permit Shield

Compliance with this Part shall be deemed compliance with A.A.C.R18-2-727 and SIP Provision R9-3-527.C.

[A.A.C.R18-2-325]

2. Opacity

a. Emission Limitation/Standard

The Permittee shall not cause, allow or permit visible emissions from painting operations in excess of 20% opacity, as measured by EPA Reference Method 9. [A.A.C. R18-2-702.B]

b. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-702.B. [A.A.C. R18-2-325]

C. Demolition/Renovation - Hazardous Air Pollutants

1. Emission Limitation/Standard

The Permittee shall comply with all of the requirements of 40 CFR 61 Subpart M (National Emissions Standards for Hazardous Air Pollutants - Asbestos). [A.A.C. R18-2-1101.A.8]

2. Monitoring and Recordkeeping Requirement

The Permittee shall keep all required records in a file. The required records shall include the “NESHAP Notification for Renovation and Demolition Activities” form and all supporting documents. [A.A.C. R18-2-306.A.3.c]

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-1101.A.8. [A.A.C. R18-2-325]

X. GASOLINE STORAGE AND DISPENSING

A. Applicability

This section applies to the 1,000 gallon gasoline tank (Unleaded 1).

B. Standards and Limitations

1. The gasoline storage tank shall be equipped with a submerged filling device, or acceptable equivalent, for the control of hydrocarbon emissions. [A.A.C. R18-2-710.B]

2. All pumps and compressors which handle volatile organic compounds (VOCs) shall be equipped with mechanical seals or other equipment of equal efficiency to prevent the release of organic contaminants into the atmosphere. [A.A.C. R18-2-710.D]

C. Monitoring and Recordkeeping Requirements

The Permittee shall maintain a record of the typical Reid vapor pressure of gasoline, dates of storage in the tank, and dates when the storage tank is empty.

[A.A.C. R18-2-710.E.1]

D. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-710.B, D and E.1.

[A.A.C. R18-2-325]

This page was left blank intentionally.

ATTACHMENT “C”: EQUIPMENT LIST

Air Quality Control Permit No. 46673 For *Nord Resources Corporation*

Equipment	NSPS	Nominal Capacity	Make	Model	Equipment ID Number	Date of Manufacture
Primary Crushing						
Apron Belt Feeder	LL	1,200 tph	NA	NA	FDR-01	NA
Primary Gyratory Crusher	LL	1,200 tph	Thyssen-Krupp	4265	CR-01	1988
Hydraulic Hammer	None		Tramac	BRH-750	HH-01	
Primary Crushing Discharge Conveyor	LL	1,200 tph	NA	NA	BC-01	NA
60' X 42" Belt Conveyor	None	1,500 tph	Superior	U8529	BC-02	1988
Coarse Ore Stockpile	None	N/A	N/A	N/A	SP-01	N/A
Vibrating Belt Feeder	LL	600 tph	NA	NA	FDR-02	NA
Vibrating Belt Feeder	LL	600 tph	NA	NA	FDR-03	NA
Vibrating Belt Feeder	LL	600 tph	NA	NA	FDR-04	NA
Primary Crusher Baghouse	LL	15,000 CFM	NA	NA	DC-01	NA
Secondary Crushing and Screening						
42" Belt Conveyor	LL	1,200 tph	NA	NA	BC-03	NA
6' X 20' Primary Double Deck Screen	LL	750 tph	Ludiwici LI	6' X 20'	SCR-01	2007
6' X 20' Primary Double Deck Screen	LL	750 tph	Ludiwici LI	6' X 20'	SCR-02	2007
42" Primary Screen Oversize Discharge Belt Conveyor	LL	750 tph	NA	NA	BC-05	NA
Surge Bin	LL	100 tons	Marco	NA	BIN-01	2007
42" Secondary Crushing Feed Belt Conveyor	LL	1,200 tph	NA	NA	BC-06A	NA
42" Secondary Crushing Feed Belt Conveyor	LL	1,200 tph	NA	NA	BC-06B	NA
76" Secondary Crusher	LL	1,200 tph	Sandvik	H6800EC	CR-02	2007

Equipment	NSPS	Nominal Capacity	Make	Model	Equipment ID Number	Date of Manufacture
76" Secondary Crusher	LL	1,200 tph	Sandvik	H6800EC	CR-03	2007
42" Primary Screen Undersize Discharge Belt Conveyor	LL	1,200 tph	NA	NA	BC-07A	NA
42" Primary Screen Undersize Discharge Belt Conveyor	LL	1,200 tph	NA	NA	BC-07B	NA
60' X 42" Belt Conveyor	LL	1,500 tph	Superior	U8529	BC-08	2007
60' X 42" Secondary Crushers Discharge Belt Conveyor	LL	1,500 tph	Superior	U8529	BC-09	2007
Fine Ore Stockpile	None				SP-02	
Vibrating Belt Feeder	LL	600 tph	NA	NA	FDR-05	NA
Vibrating Belt Feeder	LL	600 tph	NA	NA	FDR-06	NA
Vibrating Belt Feeder	LL	600 tph	NA	NA	FDR-07	NA
Secondary Crusher Baghouse	LL	15,000 cfm	NA	NA	DC-02	NA
Crushed Ore Conveying						
42" Agglomeration Feed Conveyor	LL	1,200 tph	NA	NA	BC-10	NA
10' X 35' Agglomerator	LL	1,200 tph	FEESCO	NA	AGG-01	2007
36" Agglomerator Discharge Belt Conveyor	LL	1,200 tph	NA	U8529	BC-12	NA
36" Belt Conveyor	LL	1,200 tph	NA	U8529	BC-13	NA
36" Belt Conveyor	LL	1,200 tph	NA	U8529	BC-14	NA
36" Belt Conveyor with Tripper	LL	1,200 tph	NA	U8529	BC-15	NA
36" Grasshopper Conveyors	LL	1,200 tph	NA	NA	BC-16 through BC-35	NA
36" Telescopic Conveyor	LL	1,200 tph	NA	NA	BC-36	NA
Solution Extraction and Electrowinning						
Electrolyte Heater	None	2.5 MMBtu/hr	Indelac Controls Inc.	MS4EF07-18VP	HTR-1	NA
Backup Electrolyte Heater	None	2.5 MMBtu/hr	Indelac Controls Inc.	MS4EF07-18VP	HTR-2	NA

Equipment	NSPS	Nominal Capacity	Make	Model	Equipment ID Number	Date of Manufacture
SX Mixer Settler Train 1 (3 mixer/settler units)	None	6,670 ft ² (surface area)	NA	NA	SX-1	1990
SX Mixer Settler Train 2 (3 mixer/settler units)	None	6,670 ft ² (surface area)	NA	NA	SX-2	1990
Electrowinning Cell Block 1 (32 cells)	None	1,856 ft ² (surface area)	NA	NA	EW-1	NA
Electrowinning Cell Block 2 (58 cells)	None	1,728 ft ² (surface area)	NA	NA	EW-2	NA
Tanks						
Unleaded Gasoline Tank	None	1,000 gallons	NA	NA	Unleaded 1	NA
SX Organic Recovery Sump Tank	None	725 ft ² (surface area)	NA	NA	CST-1	NA

N/A Not Applicable

NA Not Available